

H.R.3908

2000 Emergency Supplemental Appropriations Act (Reported in the House)

BROOKS AIR FORCE BASE DEVELOPMENT

DEMONSTRATION PROJECT

SEC. 2403. (a) **PURPOSE-** The purpose of this section is to evaluate and demonstrate methods for more efficient operation of military installations through improved capital asset management and greater reliance on the public or private sector for less-costly base support services, where available. The section supersedes, and shall be used in lieu of the authority provided in, section 8168 of the Department of Defense Appropriations Act, 2000 (Public Law 106-79; 113 Stat. 1277).

(b) **AUTHORITY-** (1) Subject to paragraph (4), the Secretary of the Air Force may carry out at Brooks Air Force Base, Texas, a demonstration project to be known as the 'Base Efficiency Project' to improve mission effectiveness and reduce the cost of providing quality installation support at Brooks Air Force Base.

(2) The Secretary may carry out the Project in consultation with the Community to the extent the Secretary determines such consultation is necessary and appropriate.

(3) The authority provided in this section is in addition to any other authority vested in or delegated to the Secretary, and the Secretary may exercise any authority or combination of authorities provided under this section or elsewhere to carry out the purposes of the Project.

(4) The Secretary may not exercise any authority under this section until after the end of the 30-day period beginning on the date the Secretary submits to the appropriate committees of the Congress a master plan for the development of the Base.

(c) **EFFICIENT PRACTICES-** (1) The Secretary may convert services at or for the benefit of the Base from accomplishment by military personnel or by Departmental civilian employees (appropriated fund or non-appropriated fund), to services performed by contract or provided as consideration for the lease, sale, or other conveyance or transfer of property.

(2) Notwithstanding section 2462 of title 10, United States Code, a contract for services may be awarded based on 'best value' if the Secretary determines that the award will advance the purposes of a joint activity conducted under the project and is in the best interest of the Department.

(3) Notwithstanding that such services are generally funded by local and State taxes and provided without specific charge to the public at large, the Secretary may contract for public services at or for the benefit of the Base in exchange for such consideration, if any, the Secretary determines to be appropriate.

(4)(A) The Secretary may conduct joint activities with the Community, the State, and any private parties or entities on or for the benefit of the Base.

(B) Payments or reimbursements received from participants for their share of direct and indirect costs of joint activities, including the costs of providing, operating, and maintaining facilities, shall be in an amount and type determined to be adequate and appropriate by the Secretary.

(C) Such payments or reimbursements received by the Department shall be deposited into the Project Fund.

(d) LEASE AUTHORITY- (1) The Secretary may lease real or personal property located on the Base and not required at other Air Force installations to any lessee upon such terms and conditions as the Secretary considers appropriate and in the interest of the United States, if the Secretary determines that the lease would facilitate the purposes of the Project.

(2) Consideration for a lease under this subsection shall be determined in accordance with subsection (g).

(3) A lease under this subsection--

(A) may be for such period as the Secretary determines is necessary to accomplish the goals of the Project; and

(B) may give the lessee the first right to purchase the property at fair market value if the lease is terminated to allow the United States to sell the property under any other provision of law.

(4)(A) The interest of a lessee of property leased under this subsection may be taxed by the State or the Community.

(B) A lease under this subsection shall provide that, if and to the extent that the leased property is later made taxable by State governments or local governments under Federal law, the lease shall be renegotiated.

(5) The Department may furnish a lessee with utilities, custodial services, and other base operation, maintenance, or support services performed by Department civilian or contract employees, in exchange for such consideration, payment, or reimbursement as the Secretary determines appropriate.

(6) All amounts received from leases under this subsection shall be deposited into the Project Fund.

(7) A lease under this subsection shall not be subject to the following provisions of law:

(A) Section 2667 of title 10, United States Code, other than subsection (b)(1) of that section.

(B) Section 321 of the Act of June 30, 1932 (40 U.S.C. 303b).

(C) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(e) **PROPERTY DISPOSAL-** (1) The Secretary may sell or otherwise convey or transfer real and personal property located at the Base to the Community or to another public or private party during the Project, upon such terms and conditions as the Secretary considers appropriate for purposes of the Project.

(2) Consideration for a sale or other conveyance or transfer of property under this subsection shall be determined in accordance with subsection (g).

(3) The sale or other conveyance or transfer of property under this subsection shall not be subject to the following provisions of law:

(A) Section 2693 of title 10, United States Code.

(B) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(4) Cash payments received as consideration for the sale or other conveyance or transfer of property under this subsection shall be deposited into the Project Fund.

(f) **LEASEBACK OF PROPERTY LEASED OR DISPOSED-** (1) The Secretary may lease, sell, or otherwise convey or transfer real property at the Base under subsections (b) and (e), as applicable, which will be retained for use by the Department or by another military department or other Federal agency, if the lessee, purchaser, or other grantee or transferee of the property agrees to enter into a leaseback to the Department in connection with the lease, sale, or other conveyance or transfer of one or more portions or all of the property leased, sold, or otherwise conveyed or transferred, as applicable.

(2) A leaseback of real property under this subsection shall be an operating lease for no more than 20 years unless the Secretary of the Air Force determines that a longer term is appropriate.

(3)(A) Consideration, if any, for real property leased under a leaseback entered into under this subsection shall be in such form and amount as the Secretary considers appropriate.

(B) The Secretary may use funds in the Project Fund or other funds appropriated or otherwise available to the Department for use at the Base for payment of any such cash rent.

(4) Notwithstanding any other provision of law, the Department or other military department or other Federal agency using the real property leased under a leaseback entered into under this subsection may construct and erect facilities on or otherwise improve the leased property using funds appropriated or otherwise available to the Department or other military department or other Federal agency for such purpose.

(g) CONSIDERATION- (1) The Secretary shall determine the nature, value, and adequacy of consideration required or offered in exchange for a lease, sale, or other conveyance or transfer of real or personal property or for other actions taken under the Project.

(2) Consideration may be in cash or in-kind or any combination thereof. In-kind consideration may include the following:

(A) Real property.

(B) Personal property.

(C) Goods or services, including operation, maintenance, protection, repair, or restoration (including environmental restoration) of any property or facilities (including non-appropriated fund facilities).

(D) Base operating support services.

(E) Improvement of Department facilities.

(F) Provision of facilities, including office, storage, or other usable space, for use by the Department on or off the Base.

(G) Public services.

(3) Consideration may not be for less than the fair market value.

(h) PROJECT FUND- (1) There is established on the books of the Treasury a fund to be known as the 'Base Efficiency Project Fund' into which all cash rents, proceeds, payments, reimbursements, and other amounts from leases, sales, or other conveyances or transfers, joint activities, and all other actions taken under the Project shall be deposited. Subject to paragraph (2), amounts deposited into the Project Fund shall be available without fiscal year limitation.

(2) To the extent provided in advance in appropriations Acts, amounts in the Project Fund shall be available to the Secretary for use at the base only for operation, base operating support services, maintenance, repair, or improvement of Department facilities, payment of consideration for acquisitions of interests in real property (including payment of rentals for leasebacks), and environmental protection or restoration. The use of such amounts may be in addition to or in combination with other amounts appropriated for these purposes.

(3) Subject to generally prescribed financial management regulations, the Secretary shall establish the structure of the Project Fund and such administrative policies and procedures as the Secretary considers necessary to account for and control deposits into and disbursements from the Project Fund effectively.

(i) **FEDERAL AGENCIES-** (1)(A) Any Federal agency, its contractors, or its grantees shall pay rent, in cash or services, for the use of facilities or property at the Base, in an amount and type determined to be adequate by the Secretary.

(B) Such rent shall generally be the fair market rental of the property provided, but in any case shall be sufficient to compensate the Base for the direct and overhead costs incurred by the Base due to the presence of the tenant agency on the Base.

(2) Transfers of real or personal property at the Base to other Federal agencies shall be at fair market value consideration. Such consideration may be paid in cash, by appropriation transfer, or in property, goods, or services.

(3) Amounts received from other Federal agencies, their contractors, or grantees, including any amounts paid by appropriation transfer, shall be deposited in the Project Fund.

(j) **REPORTS TO CONGRESS-** (1) Section 2662 of title 10, United States Code, shall apply to transactions at the Base during the Project.

(k) **LIMITATION-** None of the authorities in this section shall create any legal rights in any person or entity except rights embodied in leases, deeds, or contracts.

(l) **EXPIRATION OF AUTHORITY-** The authority to enter into a lease, deed, permit, license, contract, or other agreement under this section shall expire on September 30, 2004.

(m) **DEFINITIONS-** In this section:

(1) The term `Project' means the Base Efficiency Project authorized by this section.

(2) The term `Base' means Brooks Air Force Base, Texas.

- (3) The term `Community' means the City of San Antonio, Texas.
- (4) The term `Department' means the Department of the Air Force.
- (5) The term `facility' means a building, structure, or other improvement to real property (except a military family housing unit as that term is used in subchapter IV of chapter 169 of title 10, United States Code).
- (6) The term `joint activity' means an activity conducted on or for the benefit of the Base by the Department, jointly with the Community, the State, or any private entity, or any combination thereof.
- (7) The term `Project Fund' means the Base Efficiency Project Fund established by subsection (h).
- (8) The term `public services' means public services (except public schools, fire protection, and police protection) that are funded by local and State taxes and provided without specific charge to the public at large.
- (9) The term `Secretary' means the Secretary of the Air Force or the Secretary's designee, who shall be a civilian official of the Department appointed by the President with the advice and consent of the Senate.
- (10) The term `State' means the State of Texas.